

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION AT KNOXVILLE**

Federal Trade Commission; and the States of Alabama; Alaska; Arizona; Arkansas; California; Colorado; Connecticut; Delaware; Florida; Georgia; Hawaii; Idaho; Illinois; Indiana; Iowa; Kansas; Kentucky; Louisiana; Maine; Maryland; Massachusetts; Michigan; Minnesota; Mississippi; Missouri; Montana; Nebraska; Nevada; New Hampshire; New Jersey; New Mexico; New York; North Carolina; North Dakota; Ohio; Oklahoma; Oregon; Pennsylvania; Rhode Island; South Carolina; South Dakota; Tennessee; Texas; Utah; Vermont; Virginia; Washington; West Virginia; Wisconsin; and Wyoming; and the District of Columbia,

Plaintiffs,

v.

James Reynolds, Sr.,

Debtor/Defendant.

Chapter 7

CASE NO. 3:16-bk-31413 SHB

ADVERSARY NO. 3:16-ap-03024-SHB

**MOTION TO APPROVE
STIPULATED JUDGMENT FOR
NONDISCHARGEABILITY
OF DEBT OWED TO FEDERAL
TRADE COMMISSION, ALL FIFTY
STATES AND THE DISTRICT OF
COLUMBIA**

On August 4, 2016, Plaintiffs the Federal Trade Commission (“FTC”) and the states of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming, and the District of Columbia (collectively “Plaintiffs”), filed a Complaint to Determine Dischargeability of Debt Pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A) (the

“Complaint”) against Debtor James Reynolds, Sr. (“Debtor” or “Reynolds, Sr.”). Shortly thereafter, Plaintiffs and Reynolds, Sr., through his counsel, agreed upon the attached proposed judgment of non-dischargeability. *See Exhibit A*, Stipulated Judgment of Nondischargeability of Debt Owed to Federal Trade Commission, All Fifty States and the District of Columbia (“Proposed Judgment”). The FTC requests that the Court enter the attached Proposed Judgment, which has been executed by all Plaintiffs and Reynolds, Sr. The Proposed Judgment reflects the terms Reynolds, Sr. and Plaintiffs previously agreed upon to resolve their claims against him in the enforcement action, *Federal Trade Commission; all Fifty States and the District of Columbia v. Cancer Fund of America, Inc., et al.*, Case No. 2:15-cv-00884-NVW (D. Az.). *See* Complaint, Ex. 1 at VIII.B-C. Entry of the Proposed Judgment will resolve all claims in this adversary proceeding.

Wherefore, the FTC respectfully requests that the Court enter the attached Proposed Judgment, and grant any further relief as is necessary in this case.

Dated: September 28, 2016

Respectfully submitted by:

/s/ Kimberly L. Nelson
Kimberly L. Nelson
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CERTIFICATE OF SERVICE

I, Kimberly L. Nelson, certify that on September 28, 2016, I served a copy of the foregoing Motion and attached Proposed Order electronically via the Court's CM/ECF system upon:

Richard M. Mayer: mayerandnewton@mayerandnewton.com

William F. McCormick: agbankparsons@ag.tn.gov, agbankstair@ag.tn.gov

John P. Newton: mayerandnewton@mayerandnewton.com

by first-class mail, postage prepaid, to:

Janet M. Kleinfelter
Office of Tennessee Attorney General
Public Interest Division
P.O. Box 20207
Nashville, TN 37202

and by electronic mail upon the FTC's co-Plaintiffs in this action (all fifty states plus the District of Columbia).

Dated: September 28, 2016

/s/ Kimberly L. Nelson